

February 27, 1974

CLERK: Yes, sir.

SENATOR STULL: Well, I move the call be raised.

PRESIDENT: The motion is to raise the call. Those in favor vote aye, those opposed vote nay. Senator Clark.

SENATOR CLARK: Is there enough on the floor now that you can excuse the Budget Committee to go back to work?

PRESIDENT: Clerk will record.

SENATOR CLARK: If you want to adjourn, that's fine, we'll go back to work after you adjourn. That's what we did the three days you took the vacation.

PRESIDENT: Clerk will record.

CLERK: 30 ayes to raise the call, Mr. President.

PRESIDENT: Call is raised. There is enough now so that the Budget Committee can go back to work. I'll stay here which will add one more. There were 4 persons excused until about 2:45 and they should be here in a few minutes. The purpose this afternoon is to take up non-controversial bills. The one we left off of yesterday was LB1011. That's the next bill. LB1011 and if there is at any time an objection to the bill because it is in any way controversial we will pass over the bill clear up until the time of voting... to pass the bill over to....pass it off of General File. So, the next bill is LB1011. Fred Carstens, Senator Carstens.

CLERK: Mr. President, read LB1011. There are no committee amendments or other amendments.

PRESIDENT: Senator Carstens.

SENATOR CARSTENS: Mr. President, members of the Legislature. This bill was requested and drafted by the Department of Insurance. I'll briefly explain the reasons for it. I think most of you are aware that some insurance companies in this state in the recent months have had financial difficulties and have found themselves in stratum circumstances where the public, the policy holding public and those having a legitimate interest in the country were threatened with harm, financial harm a lot. Now, it is found that our Nebraska insurance laws up to this point were rather deficient in that nothing could be done even though the Director of Insurance of the Department of Insurance knew that when it was obvious that an insurance company is or was in financial difficulty. The only thing the insurance department can do now and the only authority that it has is to wait for the company to go under or close up or go into receivership. And then try to see what can worked out. This is detrimental to public interest and the reason the insurance department wanted this bill was to give them the authority so that if an insurance company does get into financial difficulty to bad management, poor management or for any other reason, they may take, the department may take preventive action necessary to preserve the company and try to prevent it in a timely fashion from going under. This is the purpose of the bill. The bill was heard before the Banking Committee and there was no opposition to the bill when the bill was presented. I move the bill be advanced to E & R Initial.

PRESIDENT: Any discussion? Those in favor of advancing the bill LB1011 vote aye. Those opposed vote nay. Senator Whitney voting aye.

CLERK: Senator Whitney voting aye.